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PRESS RELEASE

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Former USAF Captain Sentenced for Violating Restrictions on Post-Government Employment and Making a False Statement to Federal Authorities

SIOUX CITY, IOWA - A former Captain in the United States Air Force (USAF) who served in 2010 as a U.S. military contracting officer representative in Afghanistan, was sentenced last Thursday in United States District Court in Sioux City, Iowa, after having earlier pleaded guilty to violating restrictions on post-government employment and making a false statement to law enforcement agents, announced Assistant Attorney General Leslie R. Caldwell of the Criminal Division and U.S. Attorney Kevin W. Techau of the Northern District of Iowa.

Adam J.J. Pudenz, 35, of Carroll, Iowa, was sentenced by Senior United States District Court Judge Mark W. Bennett to serve two concurrent three-year terms of probation. Pudenz pleaded guilty on March 10, 2015, to a two-count criminal information that charged him with willfully violating federal conflict-of-interest laws stemming from his post-government employment with an Afghan clothing manufacturer in Kabul, Afghanistan. In addition, Pudenz pled guilty to making a false statement to federal law enforcement agents.

According to the criminal information, the plea agreement, exhibits, and other documents filed in the case, in 2010, Pudenz, then a USAF Captain, was stationed at Camp Eggers, near Kabul, Afghanistan, where he spent a year overseeing major U.S. government contracts, all held by a single Afghan company, for the provision of clothing and footwear to the Afghan National Security Forces (ANSF). Pudenz also served on a source selection team for another major boot supply contract.

Prior to departing Afghanistan in December 2010, Pudenz began negotiating for future employment with the same Afghan company that held the contracts he administered – a fact he later denied when interviewed by U.S. law enforcement agents. Prior to his discharge in January 2011, Pudenz received from the military a legal opinion that specifically prohibited him from working for the company that held the contracts he administered in Afghanistan. Pudenz immediately disregarded this legal advice and signed an agreement with that company, returning

to Afghanistan in March 2011. From then until November 2011, Pudenz repeatedly lobbied U.S. government officials in person and via email on behalf of his Afghan employer. His lobbying efforts were directly tied to the same contracts he administered as a USAF officer the year before, and in many case, Pudenz was lobbying U.S. officials in the same office in which he had worked. In return, Pudenz was scheduled to receive \$500,000 per year from his Afghan employer, of which \$250,000 was paid up front in March 2011.

To cover his violation of federal law, Pudenz repeatedly told U.S. government contracting officials that he had been given "safe harbor" to represent his Afghan employer, and on several occasions gained entry to U.S. military compounds by lying to guards, telling them he was still in the U.S. military and that he still worked as a U.S. contracting official.

At the sentencing hearing, Pudenz admitted to the court that "without a doubt" he broke the law, and stated "I ignored the [legal] advice when I saw it." Further, "I should not have engaged on both sides of the contract as the JAG told me." And, "I should have found a way to take my ego out of this."

The court found that his series of deceptions was a "substantially" aggravating factor. However, on the whole, given his military service and the letters received from numerous friends and family members, the court found Pudenz was not likely to reoffend and sentenced him to serve terms of probation.

As part of his plea agreement with the United States, Pudenz will forfeit his home in Carroll, Iowa, purchased with his ill-gotten gains. He also will forfeit three Afghan still rugs.

This case was investigated by the Defense Criminal Investigative Service, Air Force Office of Special Investigation, Army Criminal Investigation Command, Special Inspector General for Afghanistan Reconstruction, and the FBI. The case was prosecuted by Trial Attorney Wade Weems of the Criminal Division's Fraud Section and Assistant United States Attorney Richard L. Murphy of the Northern District of Iowa.

Court file information at https://ecf.iand.uscourts.gov/cgi-bin/login.pl. The case file number is 15-CR-3008.

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